



19 March 2024

Industry coalition calls upon Infrastructure Minister King to follow a transparent Strategic Fleet consultation process

Today, an industry coalition has called upon the Hon. Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, to commit to, and implement, an open and transparent consultation process on the Strategic Fleet.

In a cross-industry letter, it is noted that the existing process has not been transparent – for example, there was no open, public, application process to apply to be a member of the Strategic Fleet Task Force as the composition of that Task Force was determined by the Government.

While there was an initial consultation with industry on the broad overall policy, there has been little-to-no meaningful consultation with the broader industry on how the policy will be implemented, or how it will work in practice, despite, last year, stakeholders being told that there would be a transparent consultation process involving an issues paper and subsequent workshops.

At the end of last year, stakeholders were informed (without consultation or notice) that the Department would instead undertake “targeted and phased consultation”.

In a 02 February 2024 media release, Minister King declared that the Strategic Fleet is “forging ahead” and that she expects “demonstrable progress toward getting the first vessels in the fleet this year”.

Then, literally days later, on 07 February, the Department appears to have rushed out a targeted “cargo owners” consultation to hand-picked groups with very broad questions that were, or ought, to have been addressed by the Taskforce and which have some questionable presumptions.

For instance, question 3 says: “Presuming strategic fleet freight costs were competitive, what would motivate your organisation to use an Australian flagged vessel? Are there any benefits to your organisation that would be derived from using an Australian flagged vessel?”

The deadline for this particular consultation was 23 February 2024 – which is very short notice for a flagship government policy that in the long-term will affect billions of dollars’ worth of cargo, which can have an impact on employment, our international trade, and the viability of Australian businesses.

It is also a consultation process that does not follow the “Best Practice Consultation Guidance” (July 2023) issued by the Department of Prime Minister and Cabinet, which states that policy makers should consult in a genuine and timely way with affected people and provide an appropriate time for consultation, with 30 days being the minimum. There are numerous other ways in which this consultation does not follow the Federal Government’s own Best Practice Guidance.

As the Strategic Fleet policy will potentially directly and indirectly touch upon many different areas of the Australian economy, industry participants feel that it is important that a broad, transparent, and inclusive consultation process be followed so that the widest possible input – one that takes into account the views of all relevant stakeholders – is achieved.

And that is why the industry has written to Minister King, urging her to carry out a broad, open, and transparent, consultation process.

Scott Carson, Chief Executive Officer, International Forwarders & Customs Brokers Association of Australia, commented:

“We are concerned about the lack of proper industry consultation with this process on this significant proposal. A formal “call for submissions” needs to take place, with each of those submissions to be able to be viewed in the public domain, except for those that are provided confidentially. From that process, recommendations can then be made by the Federal Government, with such recommendations needing to prove that due consideration has been given to the submissions that were submitted.”

Captain Melwyn Noronha, Chief Executive Officer, Shipping Australia, commented:

“The Federal Government has been carrying out several maritime-related consultations in which it has followed proper process. On this specific issue, the Federal Government isn’t following a proper consultation process; it’s not even following its own Best Practice Guidelines! Why is the Strategic Fleet consultation different? Why is the Federal Government back-peddalling from its original promise? Why is this whole policy being shrouded in secrecy? Didn’t the Albanese Government originally promise openness and transparency in policymaking? Whatever happened to that?”

